MINUTES OF THE ZONING COMMITTEE Thursday, February 11, 2021 - 3:30 p.m.

PRESENT: Baker, DeJoy, Grill, Hood, Lindeke, Rangel Morales, and Syed

EXCUSED: Edgerton

STAFF: Mike Richardson, Samantha Langer, Allan Torstenson, and Peter Warner

The meeting was chaired by Commissioner Baker.

James Avenue Apartments - 21-225-115 - Conditional use permit for 69' 6" building height. Variances for front yard setback (25' minimum, 10 ft. proposed), rear yard setback (18' 4" minimum, 10' proposed), and side yard setbacks (west: 18'4" minimum, 9' proposed; east: 13' minimum, 9' proposed)., 1074 James Ave, between Lexington Pkwy. S. and I-35

Mike Richardson presented the staff report with a recommendation of denial for the conditional use permit and variances. He also said District 14 recommended approval, and there were 8 letters in support, and 1 letter in opposition.

Commissioner Grill said she lives near this proposed development and has a lot of personal experience with the area and is in favor of the development. She listed several apartment buildings in the area. She understands that while this development is directly next to single family homes, a lot of what was involved with discussions on the Comprehensive Plan and the RM Zoning Study was trying to do infill development and if we don't have places to do infill development we are left with building apartment complexes near single family homes. She had questions regarding setbacks involving pedestal parking, setbacks on properties in the area and balconies protruding into the setback area. She asked whether the applicant had to go larger on the development to be able to include affordable housing into the development which the Planning Commission has been trying to encourage.

Mr. Richardson said that the affordable housing conversation included in the zoning packet had to do with the applicant initially applying for a variance for FAR, but because the new language in the RM zoning language allows for an increase they did not require one. Mr. Richardson deferred to the applicant regarding the affordable housing component.

Commissioner Lindeke asked how staff interpreted the language of Findings 2a and 3b that states the applicant should be compatible with the general scale of urban neighborhoods.

Mr. Richardson said the urban neighborhoods designation as a future land use is broad and encompasses a range of housing types including single-family and up to multi-family along arterials and collectors in the policy. Within urban neighborhoods the range is defined in terms of corridors and transit and proximity to nodes. He said that specific zoning districts aren't specifically associate with future land use designations such as urban neighborhoods. It's the broad future land use designation that says we need to respond to the overall intent of the Comprehensive Plan to establish a range of intensity and intended uses. In terms of the range of intensity, urban neighborhood is the lower end of our density and intensity future land use designations.

Commissioner Baker asked for more insight into staffs concern for the transition of front yard setback at James Avenue.

Zoning Committee Minutes 21-225-115 Page 2 of 5

Mr. Richardson said there are elements of the zoning code that address transitioning in scale in each zoning district. In RM designations as the building gets taller it needs to be setback further from the property line. When there is a question of transitioning in scale or compatibility of scale with adjacent buildings, as in the Macalester Groveland Plan, to staff that means being responsive to the adjacent land use and the scale. It doesn't have to be simply a shorter building, but could include adjusting setbacks or adding stepbacks in the building to break that down, rather than building closer and higher along the length of the building.

Commissioner Baker asked what staff's recommendation of denial means for this development moving forward.

Mr. Richardson said he thinks there is probably some room for discussion on some of the findings with the applicant. It also depends on what the Zoning Committee and Planning Commission ultimately decide, and he would defer to the applicant for any more information.

Commissioner Grill said that in the section of the Comprehensive Plan about urban neighborhoods it begins talking about single-family homes and duplexes as being the most common. In the second part it states that multifamily housing predominates around arterial and collector streets, particularly those with transit. Both Randolph and Lexington have some transit, and it would seem to her that this is exactly what they were looking for regarding urban neighborhoods in the Comprehensive Plan. They are trying to integrate apartment complexes into areas along the arterials and collector streets. She asked staff for more clarity on the urban neighborhood conversation.

Mr. Richardson said staff believes multifamily housing is appropriate at this location and the urban neighborhood designation does not prohibit a multifamily project with affordable housing from happening at this location. The denial is based on specific findings not being met in staff's perspective.

In response to Commissioner Hood, Mr. Richardson said that there has been no change to the site plan and the only reason the District Council did not approve the side yard setbacks was because it was not included in the initial application.

Chet Funk, MacGrove Development LLC, 1103 Lincoln Avenue, Saint Paul, read from and submitted the attached presentation.

Eli Zmira, Project Manager, DJR Architecture, added that if there is any site that needs to be considered for multi-family and affordable housing it is this one. Unfortunately, this site is suffering from so many site-specific issues that go against the development that he wants to achieve. There is a 24-foot slope from west to east and another slope from north to south. Without these slopes they would not need a conditional use permit for height, but would still need variances to add affordable housing. The distances between the current building across the street and the proposed building is 105 feet and that is a suburban distance not an urban distance. The distances in the alley are 55 feet between our proposed building to any future proposed building on the outer side of the building. He presented a diagram showing distances between the buildings and to demonstrate why they are requesting setback variances. He said

Zoning Committee Minutes 21-225-115 Page 3 of 5

staff said that they didn't justify the findings and he would argue that if they want to create an urban feeling, a vision stated in the Comprehensive Plan, the distances they have created are more urban and pedestrian friendly.

In response to Commissioner Baker, Mr. Funk said it is fair to say that they have worked with the neighborhood and residents more than staff. The staff report just came out on Tuesday and they have talked to Mr. Richardson. They are willing to work with staff. The guiding principle for him and the communication with staff is that to achieve an affordability component he is open minded to any way the geometry will fit on the site if they can get close to 2.75 FAR. It is unrealistic as the developer to be able to sacrifice 49% of the volume of the building. It just wouldn't be feasible. If there is a recommendation on how they could get different setbacks they would. The neighborhood wants this project and staff is also looking at their interpretation of the code and both came to very different recommendations for this Committee. They are looking for direction on what they should be pursuing. It appears that this is a viable project for the neighborhood as-is.

In response to Commissioner DeJoy, Mr. Funk said if they had to do a 49% reduction of the FAR, they would need to create a new plan. There would be a chance that they could only go three stories and that would be potentially a reduction of 40% of the units.

In response to Commissioner Lindeke, Mr. Funk said that the project that is being proposed is roughly 90 to 93 units. The project would take advantage of the recent RM zoning district text amendments and at least 9 to 10 units would be affordable at sixty percent of the area median income. He would also note that if he does end up getting to finance the project it could require a larger AMI or a larger proportion of the units. At this point it is to far away to know what financing might be available.

In response to Commissioner Rangel Morales, Mr. Funk said any affordability component is usually met by an increase in density or public subsidy. He doesn't know if there is going to be any funding available for that so he is asking that the zoning allows for density at the project and he will then be committed to the affordability purely by allowing the density. The units will all be built for market rate and 10% of the residents will have to meet affordability requirements.

No one spoke in support or opposition. The public hearing was closed.

Commissioner Baker said that given the comments from the applicant and hearing their rationale for their disagreement with the staff report he doesn't believe there has been enough conversations between staff and the applicant. He would like to know if a layover is feasible for them to talk and for staff to work through potential alternative language based on these disagreements.

Mr. Richardson said it is possible to lay over the case based on decision-based time constraints. He said staff has had ongoing conversations with the applicant since last fall after the rezoning happened. In November the applicant submitted an application for the project and after staff reviewed it the applicant withdrew it due to numerous issues with the application. After that the applicant worked on plans further and did community engagement, we now have this present version of the application. However, there are things that the applicant brought up during

Zoning Committee Minutes 21-225-115 Page 4 of 5

testimony that were not included in the application and they are things worth considering especially site geometry and how that relates to FAR. The subjectivity of scale transition is also relevant. Staff would not change their recommendation, but he can understand why that would be considered. The finding for practical difficulty for placing the building in its proposed location may not be able to be met in staff's opinion. Mr. Richardson said one of the things they have talked about is the possibility of stepbacks on James Avenue side. That would do a lot to respond to the transition issue from his point of view. It's the combination of both height and significant footprint shifting towards the north that he found to be an issue in the staff report. That is something that could potentially be alleviated through stepbacks.

Commissioner Baker said he would like to see something on this site. The Planning Commission understands the need for more housing in Saint Paul. He is also impressed with the level of engagement the applicant has had with the community and would like to see that align with staff engagement.

Commissioner Grill said that there are certain findings in the staff report that where she has an easier time rationalizing rejecting the staff report based on certain Comprehensive Plan Policies. Findings 2a, 2c, 3f, and 4c she believes could be met based on Policies LU1, LU34, LU35, LU6 and LU7. These Policies state that providing opportunities for walkability, multifamily development, growing the tax base and providing flexibility options are needed. Policies on Urban Neighborhoods could also potentially be used to show these Findings are met. She would request assistance from staff on Findings 3c, 3d, and 4d regarding slope and setbacks and potentially finding a way for these to be met.

Mr. Richardson said that the staff report and the findings for the CUP are related only to the additional height. He also noted that the dimensions of the Lexington Apartments setbacks are between 25 and 30 feet from both Lexington and Randolph. He also noted that the applicant has embedded the balconies and that they are no longer an issue regarding setbacks.

Commissioner Lindeke said this is the first time he has had to contemplate land use features in the Comprehensive Plan that was recently adopted, and he is a little disappointed. Neighborhood nodes and mixed use versus urban neighborhood categories are frustrating. He is curious how flexible we will treat the category of urban neighborhood. He questions if urban neighborhoods are a new way to control zoning through a subjective kind of quality and if so, that is not ideal for the goals of the Comprehensive Plan.

Mr. Richardson addressed the future land use designation and said Table LU4 within the Land Use chapter as required by the Met Council that gives a range of anticipated densities for different future land use designations. While there are ranges given and they differ based on if there in the neighborhood node or not there is also a note that these are not hard and fast rules. This project far exceeds the density for mixed use or urban neighborhood, but because of its location on Lexington, staff felt it was consistent to have the higher density.

Commissioner Hood said this brings up underlying issues on how we do planning. We intertwine complex legal language that is strict and inflexible and then infuse the zoning code with very subjective language such as neighborhood character. These two things are often at odds with each other. The architect mentioned this is designated as an urban neighborhood corridor, but

Zoning Committee Minutes 21-225-115 Page 5 of 5

the setbacks we see are very suburban in character. Randolph Avenue doesn't have a set character of neighborhood, it has variety. Businesses and residences range in size and create a hodge-podge of everything. When he looks at the development being proposed he feels it continues that tradition.

Commissioner Grill moved to lay over the conditional use permit and variances to February 28, 2021, to allow time for Commissioners to submit any alternative findings to staff for discussion and review and to allow staff to meet with the applicant to see if there is any flexibility in order to move this development forward for approval. Commissioner Syed seconded the motion.

The motion passed by a vote of 7-0-0.

Adopted Yeas - 7 Nays - 0 Abstained - 0

Drafted by: Submitted by:

Samantha Langer Mike Richardson Recording Secretary City Planner

Approved by: Cedrick Baker

Cedrick Baker Chair

21-225-115 James Avenue Apartments minutes_MER

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